

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE: PHENYLPROPANOLAMINE
(PPA) PRODUCTS LIABILITY
LITIGATION,

MDL NO. 1407

This document relates to:

John Delahoussaye v. Bayer
Corporation, et al.,
No. 2-cv-2370

ORDER OVERRULING BAYER
CORPORATION'S OBJECTION TO
ORDER TO SHOW CAUSE WHY CASE
SHOULD NOT BE REMANDED

On March 8, 2005, the court issued an order to show cause why this matter should not be remanded. Defendant Bayer Corporation ("Bayer") filed an objection, urging the court not to remand the case because plaintiff's claims against co-defendant The Delaco Company ("Delaco") are presently stayed pursuant to its Chapter 11 bankruptcy filing. Alternatively, Bayer requests that the court delay remand of the case for six months based on the burden cause by the large number of cases that have already been remanded to Louisiana. Having reviewed Bayer's objection,¹

¹Plaintiff did not file a response to the objection.

ORDER

Page - 1 -

1 the court hereby finds and rules as follows:

2 Delaco filed for bankruptcy protection under Chapter 11 of
3 the Bankruptcy Code on February 12, 2004. The bankruptcy filing
4 stayed all claims against Delaco under 11 U.S.C. § 362, including
5 plaintiff's claim. Plaintiff allegedly suffered a stroke 5 to 7
6 hours after taking Dexatrim, a Delaco product, and 20 to 22 hours
7 after taking Alka-Seltzer Plus, a Bayer product. Bayer argues
8 that Delaco is the "primary target defendant" because plaintiff
9 ingested Delaco's product closer to the time of his stroke.

10 Therefore, Bayer argues, judicial efficiency requires that the
11 case should not be remanded until Delaco's bankruptcy is resolved
12 and plaintiff can resume prosecution of his claim against the
13 company.

14 In essence, Bayer is asking the court to extend Delaco's
15 automatic stay to include nonbankrupt Bayer--something the court
16 will not do. While courts have been willing to extend a debtor's
17 automatic stay to include its nonbankrupt co-defendants, they
18 have done so only when the co-defendants' interests were so
19 intimately intertwined with the debtor's that the latter may be
20 said to be the real property in interest. See, e.g., A.H. Robins
21 Co. v. Piccinin, 788 F.2d 994, 1007 (4th Cir. 1986). Courts have
22 decline to extend the automatic stay to unrelated co-defendants
23 who have merely a joint tortfeasor relationship with the debtor.
24 See, e.g., Lynch v. Johns-Manville Sales Corp., 710 F.2d 1194 (6th
25 Cir. 1983) (bankruptcy court would not exercise its discretion to
26 extend automatic stay so as to encompass nondebtor defendants in

ORDER

Page - 2 -

1 asbestos products liability actions; the scope of the automatic
2 stay is narrowly focused on protection of debtor only).

3 In the alternative, Bayer urges the court to stay remand of
4 the case in order to relieve the corporation and its counsel of
5 the hardships and scheduling conflicts that it claims will result
6 if the case is remanded to Louisiana. Bayer asserts that if the
7 court remands this case, 48 total cases against Bayer will have
8 been (or shortly will be) remanded back to federal courts in
9 Louisiana. Bayer requests that the court delay remand in order to
10 allow these cases to work their way through the Louisiana federal
11 court system. In support of its request, Bayer points to the
12 final paragraph of Case Management Order 17C ("CMO 17C") which
13 states that the remand process is flexible and may be adjusted as
14 needed to "lessen the burden on any participant in [the remand]
15 process."

16 The court is not persuaded that a stay of remand is
17 necessary. The court has set up a system for remand and both
18 plaintiff and Bayer agree that the case is ripe for remand. While
19 CMO 17C does allow the court to adjust the flow of remanded
20 cases, the present record does not warrant such action. If the
21 number of remanded cases to date has indeed placed a burden on
22 the Louisiana federal court system, that is something for those
23 courts to handle. If Bayer's counsel is feeling burdened by the
24 number of remanded cases, counsel should raise the issue with the
25 remand judge during the scheduling conference. Simply put,
26 Bayer's assertions of undue burden are too vague to warrant a

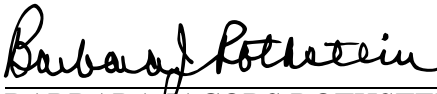
ORDER

Page - 3 -

1 six-month delay of remand in a case where all parties agree that
2 it is ripe for remand.

3 Based on the foregoing, the court OVERRULES Bayer's
4 objection to the order to show cause why the case should not be
5 remanded. The case will be included on the court's May, 2005
6 Suggestion of Remand Order.

7
8 DATED at Seattle, Washington this 9th day of May, 2005.
9

10
11 
12 BARBARA JACOBS ROTHSTEIN
13 UNITED STATES DISTRICT COURT
14 JUDGE
15
16
17
18
19
20
21
22
23
24
25
26